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## Rise in Stocks Is Retarded by Cotton Break

Profit-Taking Sales Serve to Check Upward Trend of Prices; Average Net Loss for Day Is Small

The aftermath of the great spurt in cotton prices consisted yesterday of a further sharp reaction, which was an influence in checking the upward movement of stock prices. Although no new development altered the trade outlook, the trend of quotations at the Stock Exchange turned about midday yester-

Beset with a multitude of profit-tak-

ing sales by those who had profited by the upturn of the last fortnight, security prices, which in the morning were steady, later moved definitely downward. The average net loss was moderate, but was sufficient to cause widespread mental speculation as to a new phase. With short covering diminished, realizing sales more than offset speculative long buying. The action of the market to-day and to-morrow will be observed with much interest for signs that might indicate the extent of the setback, which apparently depends primarily on the temper of professional speculators. In connection with the reading of yesterday's quotations, emphasis was laid on the fact that the high mark reached on Tuesday remained the high for the week, although closing prices on Wednesday were higher than final quotations on Tuesday The decline in cotton was far more

striking and, in view of the swiftness of the upturn for the previous three weeks, hardly surprising, especially after the 200 point break of the previous day. Although soon after the opening yesterday prices were 11/4 to 11/2 cents a pound lower, activity seemed to subside and to indicate that the pressure of the selling movement led some speculators to play for a recovery, which brought prices higher, but invited a fresh outburst of liquidation, which brought net losses for the day to 112 to 158 points.

The nervous fluctuations of cotton prices affected wheat trading and placed obstacles in the path of those in quest of higher prices. However, after many vacillations, at the close wheat prices had gained from 1/2 to 3/4 of a cent and corn and oat prices also were higher.

Increased borrowing by member banks in connection with expanding seasonal requirements reduced the current combined ratio of reserves from 66.8 to 66.2 per cent, and the New York bank revealed a similar decline as a result of a loss of gold through the settlement fund, indicating a flow of funds to the interior. Under the Federal Reserve theory some expansion is contemplated to meet extraordinary seasonal needs during the crop moving period, and the present development is years only in respect to the ease with which the banks are prepared to meet ket yesterday there was no reflection of this flow. The renewal rate was 53/2 per cent and the charge later dropped to 5 per cent.

The announcement of the most important piece of Treasury financing since the Victory Loan in May, 1919, by Secretary Mellon reveals the extent to which the government is still a factor in the money market.

## **Money and Credit**

Call money renewed yesterday at 5½ per cent, but, as on the preceding day, dropped later to 5 per cent, which was the final rate. Brokers reported a plentiful supply of funds and an increasing disposition on the part of the banks to make offerings of time money.

Yester- Year day. ago.

Yester- Yenr day, ago.
On industrial collateral... 5½ 7
On mixed collateral... 5½ 7
Time money (mixed collateral):
Sixty days..... 5¾ @6 8@8½
Ninety days.... 5¾ @6 8@8½
Four months... 6 8@8½
Four to six months... 6 8@8½
Bank Clearings Bank alequity

Bank Clearings—Bank clearings at New York yesterday were: Exchanges, \$564,700,000; balances, \$53,800,000.

## Transactions Yesterday in Listed Stocks

30 Industrial stocks 50 stocks

Record of Stock and Bond Averages

Bonds

Kennecott Copper ... Keystone Tire ..... Lackawanna Steel ..

Mont Ward

N Y, Chie & St L...
do 2d pf
N Y, N H & H....

Norfolk & Western.

Northern Pacific ... Nova Scotia Steel .. Oklahoma Prod & Ref

Penn Seaboard Steel. People's Gas & Coke Pere Marquette .....

Pierce Oil | ..........

Pressed Steel Car Pullman Co .....

Remington Typewr... Repub Iron & Steel...

Studebaker ......

Transcon Oil .....

do pf ..... United Drug

40/2 United Retail Store
70/4 5 U S Rubber
105 7 do pf
41/8 2 Utah C

Reading .... do 1st pf... do 2d pf.

Philadelphia Co ..

to date.
High. Low.
64.60 57.40
79.13 60.80
74.12 61.02

84.53 78.70 78.41

Summary of Stock Exchange Dealings

Ago. 1921. 1920. 1919. 81,600 24,144,800 38,012,200 74,163,900 282 200 93,136,600 115,164,600 149,991,200 463,800 117,281,400 153,176,800 224,155,100 Vesterday.
U. S. government bonds . \$10,700,000
Railroad bonds . 2,101,000
Other bonds . 3,015,000 Day before. \$8,507,000 2,114,000 2,574,000

Year ago. 1921. 1920.
\$4,126,000 \$1,289,693,000 \$1,651,500,000 10 Railroad bonds 2,109,000 348,731,000 374,199,000 10 Industrial bonds 2,561,000 449,461,000 480,904,000 5 Utility bonds 8,796,000 2,087,785,000 2,506,603,000 25 Bends All bonds Adams Express
Advance Rumely
Alax Rubber
Alaska Juneau
Allied Chemical
Allies-Chalmera
Amer Agr Chem
Amer Bosch Mag
American Can
do nf

Amer Cotton Oil

Amer Safety Razor. Amer Ship & Com. Amer Smelting ...

do pf ........ Amer Steel Fdy do pf ...... Amer Sumatra Tob.
Amer Tel & Tel ....
Amer Tobacco .... Atch, Top & San Fe
Atl, Bir & At ...
Atl Coast Line ...
Atl, Gulf & W I ... .621/2 Atlantic Petrol Baldwin Loco Co ... Beth Steel Class B ... Burns Bros .......
Butte & Sup Cop ...
Butterick Co .....
Caddo Oil ...... Caddo Oil
California Petrol
Calla Lead & Zinc
Canadian Pacific
Case, J I, pf
Central Leather Central Leather
do pf
....
Cerro de Pasco ....
Chandler Motors
...
Chesapeake & Ohio
...
Chic Gt West
...
Chic, Mil & St P ...
da nf

1348 191/2 131/2 573/4 791/4 223/4 85 10

2234 85 10

do 6% pf.
Chile Copper ...
Chino Consol Cop
Coca Cola ...
Columbia Graph do pf ...
Columbia Gas & Elec
Comput Tab Record.
Consol Dist .....
Consolidated Gas ... Continental Candy Corn Products ....
do pf .....
Cosden & Co ....
Crucible Steel ..... Cuban-Amer Sugar Cuba Cane Sugar Endicott-Johnson

Endicott-Johnson

Erie
do 1st pf
do 2d pf
Famous Players
do 2f
Fed Min & Smelt pf Fisher Body .... Fisk Rubber Tire Gaston Williams . General Asphalt
General Cigar
General Elec Co
Gen Motors
do pf
do 6% deb
do 7% deb
Goodrich B F
Gray Davis

Gray Davis
Great Northern pf...
Gt North Ore subs...
Gulf Mobile & North. Gulf States Steel. Inspiration Copper . Interb Cons Corp..

The Bollar in Foreign Exchange
German marks continued their precipitate define veteroly or the year
at 1.01 cents, the previous low record
ainse the war, resched in January,
war reached on August 10. Marks railied slightly before the close, being
Business was only nominal, according to desilers, and there was virtually
busined Springr

Business was only nominal, according to desilers, and there was virtually
busined Springr

Business was only nominal, according to desilers, and there was virtually
busined Springr

Business was loved and would prob.

Called and the state of the control of t Following are the closing bid and asked quotations of stocks listed on the Stock Exchange in which there were 80½ 32 do pf. 75
3 108½ Bur R & Pl. 57
5 80½ Bur R & Pl. 57
5 80½ Bur R & Pl. 57
5 80½ Bur R & Pl. 57
5 80 do pf. 75
5 80 do pf. 77
5 do pr. 77
6 pr. 77
7 pr. 7 pr. 77
7 p 

Mont Power, 46
do pf ... 82
Metria & Ess. 65
Mull Bosty pf ...
Nash & Chat. 95
Nat Aemo ... 139
Nat Biscuit ... 115

White Oil

137

bills, 4 per cent; three-month bills, 4½
per cent.

Closing quotations of stocks were:
Consols, money. 47½ |Louisville 145
British 5% loan 88¼ M K & T 2
do 4½ 81½ N Central 95
Atchison 113
Balt & Ohlo 50
Canadian Pac. 151
Chesa & Ohlo 72
Chi Grt Westn 9
St Faul 34
Den & Rio Grd 1
Erie 17½ Unid Sta Steel 102
do 1st pf. 25
Grand Trunk 2½
Ill Central 127

In Wall Street

The banking community did not warm up yesterday to the proposal from Washington that the government full 1920.

Low. 58.60 issued by the railroad and which are 67.67 now held by the railroad administration. Those who sponsor the idea argue that if the certificates are disposed of money would be made available in that way for advances to the railways. Thus making it possible for them to proceed with maintenance and repair work on an increased scale. The certificates carry a 6 per cent interest rate and may not be sold by the government for less than par. The bankers whose views were asked yesterday on this proposition did not think it feasible. For one thing it was held that only the certificates of the roads of highest credit could be sold on a 6 per cent basis.

Reports that the Keystone Tire & Rubber Company is planning new financing brought a prompt denial yesterday from an officer of the corporation. It is not the intention of the tion. It is not the intention of the company to borrow, he declared, as no financing is necessary. The company, it was stated, is steadily improving its position. It has liquidated its bank leans, which were fairly large at the beginning of the year, and at present is strong in cash. The stock was a small fraction lower at the close yeaterday.

Breaking Records

The Chicago, Burlingtor. & Quincy's report of August earnings will make pleasant reading to the stockholders when the figures are made public. In fact they will smash some long standing records, something unusual in these times. According to preliminary figures the Burlington's net for last month will be the largest in the history of the system. This result was accomplished by concentration of grain loadings and the reduction in wages. Maintenance charges were kept up at about normal. about normal.

The turn of the road in American business is in sight, according to Eu-gene Meyer jr., managing director of the War Finance Corporation. He finds, however, that one of the diffi-38/<sub>8</sub> 38/<sub>8</sub> 38/<sub>8</sub> 38/<sub>8</sub> 38/<sub>4</sub> their business on a hand-to-mouth 5 basis, each carrying the lowest possible stock of goods. "The direct resible stock of goods." The direct resible stock of goods. "The direc ness men of America would resume the carrying of normal stocks the load forced back upon the producers would be more generally distributed, resulting in a freer circulation of business and a greater buying power on the part of our agricultural population."

United States Steel Unfilled Orders
Publication of the unfilled orders on
the books of the United States Steel
Corporation as of August 31 at noon
to-morrow will be watched closely with
the purpose of detecting any signs of
improvement in the industry. Although the Street is guessing that
there will be another falling off in
bookings, the chief topic of discussion
is as to the size of the decrease. Estimates seem to range between 150,000
and 200,000 tons. This would mean
that new business has been coming in
in greater volume than for several
months. The decline in unfilled orders at the end of July totaled 287,544
tons. A falling off, say, of 175,000 tons
last month would bring the bookings
down to approximately 4,650,000 tons. United States Steel Unfilled Orders down to approximately 4,650,000 tons.

United Drug at New Low

United Drug directors are scheduled to meet to-morrow. Rumors were current yesterday that the bankers interested in the company's financial rehabilitation were inclined to favor making the junior shareholders forego further distributions until earnings show much greater improvement. It is reported that the company's balance of off of inventories approximating \$13.

14700 191/2 201/4 191/2 141/ United Drug at New Low

An explanation for the recent strength in Baldwin was offered yesterday in the statement that the company in the first six months of the year, despite the general business depression, had earned the full year's dividend requirement of 7 per cent. Baldwin advanced to 83 yesterday, a new high on the present movement, and although the stock showed the effect of profit taking later in the market session, it still was up over a point on the day.

Interborough Extensions

Interborough Extensions

Between \$33,000,000 and \$34,000,000 of the \$38,144,400 of Interborough Rapid Transit refunding 5 per cent bonds have been turned in for extension for one year under the plan. Today the matter of whether the property is to be thrown into receivership is reopened in Federal court. The apparent willingness of a majority of the holders of the notes to give the company a further chance by agreeing to an extension is believed to be an important point in favor of the Interborough in this connection. Corn Products

The belief is gaining ground in well informed quarters that there will be no change in the Corn Products Refining common dividend this year. The steel Tube —— 794 US CIPET 134 144 145 1425 Steel Carb. 30 31 US Express. 5% 8 10 ochange in the Corn Products Refinochange in the Corn Produc

July Locomotive Reports

Liberty Bonds

Victory Notes

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Pe eco eco eq

Amer. Cyanamid, Pfd. Amer. Tobacco Div. Scrip Borden's Milk Co. Mengel Co.

R. J. Reynolds, Com. & Pref. Royal Bak. Powd. Com. & Pfd. Cedar Rap. P. & Mfg., 5s, 1953 Laurentide Power, 5s, 1946 Montreal L.H. & P., 41/2s, 1932 Montreal Tramway, 5s, 1941 Riode Jan. Tr. L. & P., 5s, 1935

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